

## DVBE Program Requirement Packet

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### Using the DVBE standard packet

Departments conducting non-IT or IT competitive solicitations that include the DVBE participation requirement must now include the California DVBE Program Requirement packet as provided by the DGS.

Competitive solicitations that include the DVBE Program Requirement package must also include language within the solicitation that directs the bidder to the DVBE packet for completion. In order to incorporate the packet into the solicitation, buyers must, in the packet header:

- Assign the packet an attachment designation (e.g. Attachment 1, Attachment A) as applicable to the solicitation and
- Enter the competitive solicitation number.

**Note:** With the introduction of the DGS DVBE standard package, the PAM, Chapter 3, Topic 3, Infoblock 3.3.2 requiring a department to develop language that complies with the DVBE participation program is no longer required. Additionally the use of a DVBE attachment other than the California DVBE Program Requirement packet as provided herein is no longer an acceptable practice for use under a department's non-IT and/or IT purchasing authority.

[Click](#) here to access the California DVBE Program Requirements packet.

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### Solicitation language

Non-IT goods and/or IT goods and services competitive solicitations regardless of the solicitation format (RFQ, RFP or IFB) that include the DVBE participation requirement must contain language that directs the bidder to the DVBE Program Requirement Packet for completion.

Example:

"The State has established goals for Disabled Veteran Business Enterprises (DVBE) participating in state contracts. Please review the attached DVBE Package. Suppliers responding to this quotation must complete and return all the appropriate pages in order for the quote to be considered responsive."

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### Waiving the requirement

The process of waiving the DVBE Participation requirement from a purchase activity remains unchanged. Refer to PAM, Chapter 3, Topic 3, Infoblock 3.3.1 and 3.3.2 regarding the requirements for waiving the DVBE participation requirement from individual solicitations.

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## DVBE Program Requirement Packet, Continued

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**Goal  
percentage  
variation**

CCR Title 2, Division 2, Chapter 3, Subchapter 10.5 section 1896.62(b) allows variation of the participation goal for a particular solicitation. If a buyer allows for a variation of the DVBE participation goal for a particular solicitation, the buyer shall obtain their management's written approval prior to modification of the 3% goal. If a DVBE variation is allowed by management, the buyer shall include language in the solicitation that delineates the exception. File documentation must also include management's written approval to support the variance.

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## DVBE Evaluation Process

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**Options**            The general approach for evaluating any requirement is to review what the bidder was asked to do and then assess the bid to see if it is responsive. Bidders can be compliant to the DVBE requirement in one of three ways:

Option	Description
A	Commitment and documentation to meet or exceed the full DVBE participation goal when either: <ul style="list-style-type: none"><li>• Method A1 – The prime bidder is a certified DVBE or</li><li>• Method A2 – The prime is a non-certified DVBE bidder</li></ul>
B	Documentation of a Good Faith Effort (GFE) when either: <ul style="list-style-type: none"><li>• Partial participation is obtained or</li><li>• No participation is obtained</li></ul>
C	Documentation of a current pre-approved DVBE Business Utilization Plan is provided.

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### Five steps for

**Option B**            Completion of the GFE generally consists of the following five steps:

Step	Action
1	Contact the awarding department to identify DVBEs
2	Contact all of the following entities to identify DVBEs: <ul style="list-style-type: none"><li>• State</li><li>• Federal</li><li>• Local DVBE organization</li></ul>
3	Advertise in both of the following: <ul style="list-style-type: none"><li>• At least one trade paper</li><li>• At least one DVBE focus papers (targets DVBE subscribers)</li></ul> <p><b>Note:</b> This is the only step that a department has the discretion to waive.</p>
4	Issue invitations for DVBE subcontractor participation
5	Consider all responding DVBEs

**Note:** See the “Good Faith Effort (GFE) Evaluation Steps” for evaluation information regarding each step.

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### Which bids are evaluated?

The DVBE requirement is evaluated for all timely and appropriately received bids. This is applicable even if a bid is not in line for award or has been deemed non-responsive in other aspects.

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## DVBE Evaluation Process, Continued

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### **Written confirmation**

During the evaluation should additional information be required to determine the role or use of DVBEs in the resulting contract, the State has the option of seeking a written confirmation from the proposed DVBE subcontractor(s) and/or the prime bidder. The State can request information that includes, but is not limited to:

- DVBE scope of work
  - Work to be performed by the DVBE
  - Term of intended subcontract with the DVBE
  - Anticipated dates the DVBE will perform required work
  - Rate and conditions of payment
  - Total amount to be paid to the DVBE
  - Signature of the bidder and/or DVBE subcontractor
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### **Line item awards**

If the quote is responsive to the DVBE requirement based on award of the entire purchase, the quote is still considered compliant should the State opt to make a line item award. (Per CCR Title 2, Division 2, Chapter 3, Subchapter 10.5, section 1896.64(b)).

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### **No DVBE certification**

Determination that the DVBE certification claimed for the bidder and/or subcontractor(s) is not valid does not automatically mean that the bid is rejected. To be compliant when the bidder is not a DVBE and the DVBE subcontractor participation falls below goal, the Good Faith Effort must have been adequately performed and documented.

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### **Defect documentation**

When evaluation quotes, document all DVBE discrepancies found. A determination can subsequently be made whether the deviation(s) is material.

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## Goal Attainment Evaluation Steps

- Option A** To evaluate Option A (Goal Attainment), verify that:
- the form Std. 840, Documentation of Disabled Veteran Business Enterprise Program Requirements, is included and that the first box of Section A (Option A) is marked
  - the form GSPD-05-105, Bidder Declaration, is included and has been completed

**Which Method was used?** The indicators below are used to determine whether Method A1 or Method A2 was bid.

Method	Indicators
A1	The GSPD-05-105 should indicate that the prime bidder is a DVBE. Included in the bid might be a statement identifying the bidder as a DVBE and/or acknowledging goal attainment.
A2	The GSPD-05-105 should <u>not</u> identify the prime as a DVBE but should list all subcontractors that are identified as DVBEs. Included in the bid might be a statement with this information and/or acknowledgement of goal attainment.

**Method A1** Method A1 is applicable when the prime bidder is a DVBE. Evaluation involves two steps.

Step 1: Following the parameters identified below, check the OSDS database to verify that the bidder possesses a current California DVBE certification.

Check the OSDS Database		
Topic	If ...	Then...
1	The firm's <ul style="list-style-type: none"><li>• "Status" and</li><li>• Certification term dates are acceptable...</li></ul>	Execute a screen print to document the file.  <b>Note:</b> Since statuses can change, perform this step even if a copy of a certification letter is provided
2	The firm's "Status" is "Pending"...	<ul style="list-style-type: none"><li>• Contact OSDS to request an expedited review</li><li>• Once the status is approved, execute a screen print to document the file</li></ul>
3	The firm cannot be found...	<ul style="list-style-type: none"><li>• Check the OSDS "List of Suspended Firms" and if <u>not</u> found</li><li>• Contact OSDS to determine if certification is pending and if so, follow Topic 2 above</li></ul>

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## Goal Attainment Evaluation Steps, Continued

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Step 2: If the GSPD-05-105 (Bidder Declaration) identifies subcontractor participation of any type, determine whether the prime bidder is performing a commercially useful function (CUF).

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**Method A2**      The form GSPD-05-105 should identify one or more subcontractors as a DVBE. Perform the following actions for each subcontractor identified as a DVBE:

Step	Action
1	Using the parameters identified in the "Check the OSDS Database" table under Method A1, verify that the DVBE subcontractor possesses a current California DVBE certification
2	Determine whether the DVBE subcontractor will be performing a commercially useful function
3	From the GSPD-05-105, total the percentage of the contract to be paid to all qualifying DVBE subcontractors to verify that the stated DVBE goal will be met/exceeded
4	Should the goal not be met and additional subcontractors are listed on the GSPD-05-105, follow the parameters identified in the "Check the OSDS Database" table to determine if the additional subcontractor(s) qualifies as a DVBE

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## Evaluating the Good Faith Effort

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### Standard packet version

The five steps identified herein pertain to the standard version of the California DVBE Program Requirements packet.

**Note:** Should requirement variations have been stipulated in the solicitation, the evaluation would need to be adjusted accordingly.

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### Option B

To evaluate Option B (GFE), verify that:

- the form Std 840, Documentation of Disabled Veteran Business Enterprise Program Requirements, is included and that the second box of Section A (Option B) is marked,
  - Sections B & C of the Std. 840 contain information and
  - the form GSPD-05-105, Bidder Declaration, is included and has been completed
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### GFE Step 1

The first GFE step is to contact the awarding department to identify DVBEs.

The purchasing professional identified in the solicitation must maintain a DVBE record of contacts. Relevant contacts could be from a DVBE calling to express interest in participating as a subcontractor or from a prime bidder looking for DVBE subcontractors. Other miscellaneous contacts (such as requesting a copy of the solicitation) do not satisfy the requirement.

To evaluate compliance, compare the DVBE record of contacts with what is documented on the Std. 840, Section B, Step 1.

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### GFE Step 2

The second GFE step is to contact other State, federal, and local DVBE organizations to identify DVBEs. When evaluating this portion, perform the following steps:

Step	Action
1	Review the Std. 840, Section B, Step 2 to verify that contact with all three entities is documented
2	Confirm that screen prints are attached for any DVBE searches performed online
3	Review screen print(s) to determine if it is current and that the correct categories were referenced (for what is sought in the State's solicitation)

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## Evaluating the Good Faith Effort, Continued

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**GFE Step 3** The third GFE step is to advertise in at least one (1) trade paper and at least one (1) focus paper. In lieu of this, PD also allows the bidder to advertise in one (1) approved dual purpose publication. When evaluating this portion, perform the following steps:

**Note:** Buyers are reminded that PCC section 10115.2(b)(3) and CCR Title 2, Division 2, Chapter 3, Subchapter 10.5 1896.63(3)(2) provide for variations of the GFE Step 3 if time limits do not permit advertising as follows:

- The requirement can be waived in the solicitation, or
- The 14-day advertisement duration can be shortened.

Step	Action
1	Review the Std. 840, Section C, Step 3 to verify that advertisement information is appropriately documented
2	Verify that the correct quantity and type of papers were used
3	Confirm that a copy of the advertisement(s) is provided
4	Verify that the publication(s) is one that is approved or acceptable  Note: The DVBE Resource Packet identifies some, but not all, acceptable papers
5	Confirm that the date of the advertisement(s) is after the date of solicitation release and at least 14 days prior to the bid due date
6	Review the advertisement(s) to confirm that it contains the: <ul style="list-style-type: none"><li>• Bidder's 1) company name; 2) contact name; 3) address; 4) telephone and facsimile numbers (if applicable); 5) e-mail address (if applicable)</li><li>• State's solicitation number</li><li>• Description of goods and/or services for which subcontractor participation is sought</li><li>• Location(s) of work to be performed</li><li>• State's bid due date</li><li>• Bidder's due date for response to DVBE invitations</li></ul>
7	Analyze the goods/services advertised to confirm they are items for which the subcontractor would be performing a commercially useful function relevant to the resulting State contract

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## Evaluating the Good Faith Effort, Continued

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**GFE Step 4**      The fourth GFE step is to issue invitations for DVBE subcontractor participation. When evaluating this portion, perform the following steps:

Step	Action
1	Confirm that a copy of each supplier invitation is provided
2	Confirmation of invitation transmittal or delivery should be included
3	<p>Review the invitation to confirm that it contains the:</p> <ul style="list-style-type: none"><li>• Bidder's 1) company name; 2) contact name; 3) address; 4) telephone and facsimile numbers (if applicable); 5) e-mail address (if applicable)</li><li>• State's solicitation number</li><li>• Description of goods and/or services for which subcontractor participation is sought</li><li>• Location(s) of work to be performed</li><li>• State's bid due date and/or bidder's due date for response to DVBE invitations</li></ul> <p>It should also contain an anticipated schedule for subcontractor performance and terms/conditions related to payment of the subcontractor.</p>
4	Analyze the goods/services solicited to confirm they are items for which the subcontractor would be performing a commercially useful function relevant to the resulting State contract
5	Consider whether the time period provided is reasonable to receive and respond to the invitation and for the bidder to consider DVBE participation prior to submission of the State bid
6	<p>Review the Std. 840, Section C, Step 4 &amp; 5 to verify that it identifies DVBEs contacted</p> <p><b>Note:</b> Additional DVBEs contacted can be listed on the STD.840A</p>

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**GFE Step 5**      The fifth GFE step is to consider all responding DVBEs. When evaluating this portion, perform the following steps:

Step	Action
1	Review the box checked on the Std. 840, Section C, Step 4 & 5 that identifies whether or not a DVBE was selected
2	If the box checked indicates the DVBE was selected, confirm that the subcontractor is listed on the GSPD-05-105
3	If the box checked indicates the DVBE was <u>not</u> selected, review the rationale listed for the business reason

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## Business Utilization Plan (BUP) Evaluation Steps

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### Option C

To evaluate Option C (BUP), verify that:

- the form Std. 840, Documentation of Disabled Veteran Business Enterprise Program Requirements, is included and that the third box of Section A (Option C) is marked,
  - the form GSPD-05-105, Bidder Declaration, is included and has been completed and
  - a copy of the bidder's "Notice of Approved DVBE Business Utilization Plan" was provided
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### BUPs

Business Utilization Plans must be approved prior to the bid due date. To verify the plan's current status (or should Option C have been marked but a copy of the approval letter not provided) contact DGS-PD Office of Small Business and DVBE Services.

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